

March 27, 2014

BY FACSIMILE (602) 542-1381
The Honorable Janice K. Brewer
Arizona Governor
Executive Tower
1700 West Washington Street
Phoenix, AZ 85007

*Re: Adequate Funding for the Arizona
Court of Appeals*

Dear Governor Brewer:

On behalf of the Association of Corporate Counsel (“ACC”) and its Arizona Chapter, we respectfully write in support of the bill introduced by Rep. J. Pierce seeking an increase in the proposed fiscal year 2015 budget for the Arizona Court of Appeals. Failure to provide sufficient funding for the Arizona appellate system will seriously interfere with the resolution of business disputes by the Arizona judiciary, access to justice, and public trust in the rule of law.

Interest of ACC and its Arizona Chapter

The ACC is a professional organization that promotes the common professional and business interests of in-house counsel who work for corporations, associations and other private sector entities. ACC has over 33,000 members who are in-house lawyers employed by over 10,000 organizations in more than 75 countries. Its Arizona Chapter has over 380 members working in companies and other organizations in Arizona. As repeat players in the arena of business litigation, ACC’s members in Arizona and elsewhere have a keen interest in the efficient resolution of commercial disputes and the need for a well-funded appellate system to support such resolution.

Failure to Provide Sufficient Funding for the Arizona Court of Appeals Will Adversely Affect Corporations That Do Business in Arizona

Adequate funding of the Arizona appellate system is of utmost importance to ACC's members who work in Arizona, as well as its other members who do business in Arizona. As corporate counsel, many of ACC's members have frequent involvement in or oversight responsibility for commercial cases, both as plaintiffs and defendants. It is important to in-house counsel and their corporate clients that do business in Arizona to have their civil commercial cases heard expeditiously and with the attention and expertise that those cases deserve. A significant reason for the economic success of the United States business model has been the ability of parties to enforce their commercial contracts in the courts. It is critical that discovery disputes be thoughtfully addressed and that motion practice – whether a request for a temporary restraining order or a motion for summary judgment – be handled attentively and timely.

Without an increase in funding, the Arizona Court of Appeals will be forced to suffer severe reductions in personnel that will negatively affect the resolution of disputes in the Arizona court system. To begin with, there will clearly be a decline in the efficiency and speed at which business disputes are resolved, consequently causing undue delay, uncertainty and extra expense for corporate litigants. In addition, the quality of decisions is likely to suffer, affecting the immediate parties to the dispute as well as future parties who rely on well-reasoned Arizona judicial opinions for guidance. Insufficient funding of the Arizona judiciary could have the further deleterious effect of discouraging high-quality attorneys from serving in the judicial branch. That effect alone could pose a serious threat to the quality of appellate decisions in Arizona.

Finally, the underfunding of the Arizona judiciary could have a damaging impact on the Arizona economy. As corporate counsel and business executives, ACC's members are acutely aware of the critical importance of a well-functioning court system to the economic health and wellbeing of their companies. Scores of businesses supporting and generating jobs throughout the state depend on Arizona's court system to dispense justice and resolve disputes in an efficient and fair manner. If Arizona courts are not able to process commercial cases in a streamlined manner, businesses will be forced either to take their business elsewhere or, at a minimum, select forums outside Arizona in which to litigate their disputes. Either way, the Arizona

economy is harmed. Individual businesses, as well as the Arizona economic system as a whole, are obviously best served by a judiciary that offers the quick and efficient resolution of commercial disputes. Such a system also serves the local legal community, as area corporations are likely to retain local area attorneys for matters pending locally.

Conclusion

In sum, to safeguard the prompt and efficient resolution of business disputes in the state, and ensure full access to the courts for business litigants, ACC and its Arizona Chapter respectfully request the Arizona Legislature to increase the appropriation to the Arizona Court of Appeals for fiscal year 2015 to ensure full funding of its current operations.

Respectfully submitted,



Amar D. Sarwal
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Mark Rogers
President
Arizona Chapter

cc: Mr. Scott Smith, Chief of Staff
Representative Justin Pierce, by email, jpierce@azleg.gov